

**LFC Requester:**

Carlie Malone

**AGENCY BILL ANALYSIS  
2016 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:****[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)***and***[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)***{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}**Check all that apply:*Original ☒ Amendment ☐  
Correction ☐ Substitute ☐**Date** January 20, 2016**Bill No:** SB9-305**Sponsor:** Senator Sander Rue**Agency Code:** 305**Short** State Budget Request**Person Writing** Jennifer Salazar, AAG**Title:** Sub-Programs**Phone:** 827-6990**Email** jsalazar@nmag.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Letter. This is a staff analysis in response to an agency’s, committee’s, or legislator’s request.

**Synopsis:**

Senate Bill (“SB”) 9 proposes to amend the Accountability in Government Act (“Act”), NMSA 1978, §§ 6-3A-1 to –9 (as amended through 2004). Section 1 corrects a citation error in the Act. Section 2 adds the following definitions to the Act: (1) “cost beneficial”; (2) “evidence-based”; (3) “promising”; (4) “research-based”; and (5) “sub-program”. Section 3 amends Section 6-3A-7 of the Act to require that each agency submit a “program inventory” as well as a summary of how the agency has prioritized evidence-based, research-based and promising sub-programs within its performance-based program budget request.

Section 4 of SB 9 amends Section 6-3A-7 to require that the Governor’s proposed budget, as well as the Legislative Finance Committee’s (“LFC”) budget recommendation, contain the amount of the budget recommendation that is intended for evidence-based, research-based and promising sub-programs.

Section 5 of SB 9 creates a new section of the Act. Under this new provision, the LFC and the State Budget Division of the Department of Finance Administration (the “Division”) are required to approve a list of programs to “inventory” by June 15 of each year. The Division must send agencies a notification identifying the programs that have been selected for inventory, and the agencies, in turn, must do the following: (a) identify each sub-program as evidence-based, research-based, promising, or lacking evidence of effectiveness; and (b) compile an inventory that includes specific information for each sub-program. Section 5 requires the following information from each sub-program: (1) the goals and objectives of the sub-program; (2) the current and historical budget and spending data; (3) the target population to be served; (4) the number of persons served annually; (5) outcome data demonstrating efficiency and effectiveness; (6) data demonstrating cost benefit of the sub-program to the state; and (7) the results of any evaluations or audits of the sub-program.

**FISCAL IMPLICATIONS**

N/A

**SIGNIFICANT ISSUES**

The “inventory procedure” is not clearly defined. Also, it’s unclear as to how DFA and LFC will identify programs to inventory.

SB 9 does not clearly define or differentiate a sub-program from a traditional program.

**PERFORMANCE IMPLICATIONS**

There is not a provision with SB 9 that will allow agencies to have input regarding performance measures or program classification. As such, it may be difficult from an agency perspective to meet performance measures that are not truly indicative of their functions.

**ADMINISTRATIVE IMPLICATIONS**

N/A

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

N/A

**TECHNICAL ISSUES**

N/A

**OTHER SUBSTANTIVE ISSUES**

N/A

**ALTERNATIVES**

N/A

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status quo.

**AMENDMENTS**

N/A